

Major Company Strategic Issues to Keep In Mind

. PM-USA Plan Objectives

- Gain Volume
- Safeguard Profit Growth and Cash Flow
- Protect Rights of Smokers and Manufacturers
- Operate a Leaner, More Proactive Organization

. Customer Satisfaction Measures

- Market Share
- Product Quality
- Distribution
- New Products

. Major Cost Improvements

- Efficiencies
- Reduced Overhead

. Product Performance Relative to Competition

- Category Share Growth
- Retail Presence
- Promotional Activity

. Productivity Measures

- CPLH
- CPM
- Capital

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GUIDELINES FOR STRATEGIC PLAN REVIEW

I. Introductory Comments on Issues

Discuss background changes, if any, affecting each key strategic issue in your remarks. Indicate changes in market conditions or within the political, social, or technological environment that may alter your basic assumptions and the approach taken to address a particular issue.

II. Primary Format: Complete attached matrix for your functional area

(A sample is included for your reference)

- . Stated Strategy - as per plan draft
- . Stated Action Plan - as per plan draft
- . Status - What is being done?

Be prepared to comment on the following in your remarks:

- How much is invested?
 - Where is it being implemented?
 - When it will be completed?
 - How it will be accomplished and affect PM plan objectives, especially volume growth?
- . Indicated Change - in the action plans and their status to date

III. Discuss any major strategic changes to the 1990 plan, as well as to the 1991 through 1994 plans.

Format for Changed Strategy: Only complete this matrix if you are making major changes to your planned strategies.

- . Current Strategy - as per plan draft
- . Changed Situation - Internal or external influences that have caused you to change the strategy and replace it with a new one
- . Revised Strategy - new strategy

The Planning Department is available as a resource to you and your staff in preparing your presentation.

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PRIMARY FORMAT - EXAMPLE

MARKETING

MARLBORO

<u>STATED STRATEGY</u>	<u>STATED ACTION PLAN</u>	<u>STATUS</u>	<u>INDICATED CHANGE</u>
<ul style="list-style-type: none">Defend Marlboro purchasers against price/value	<ul style="list-style-type: none">Implement 2 national carton promotionsImplement 1 targeted carton promotion in strong price/value growth marketAchieve universal brand visibility at retail through merchandisings and POS	<ul style="list-style-type: none">Coffee Mug Sleeve in field Feb./March and BBQ Lighter in field June/JulyLeather luggage tags/ targeted in field OctoberMarlboro position(s) on B display 12 monthsSpecial set sells developed for use in non B accountsDoor decal program - target package outlets. In production for May/June blitzPlan R&C expansion underwayCombined presence being sold inAwning/store front program formalized	<ul style="list-style-type: none">Consider adding a holiday offer in all outlets <p>Under Consideration:</p> <ul style="list-style-type: none">Buy 3 get 2 freeXmas insert with calendar offerConsider adding a Gold Continuity program in targeted marketsDevelop and test lower 25's pricing and half carton, smaller packs merchandising

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PRIMARY FORMAT

(FUNCTION)

(CONCENTRATION)

STATED
STRATEGY

STATED
ACTION PLAN

STATUS

INDICATED CHANGE*

* Indicate changes in the stated action plans, as well as the addition of new action plans that were not originally included in your plan draft.

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FORMAT FOR CHANGED STRATEGY

(FUNCTION)

(CONCENTRATION)

CURRENT STRATEGY

CHANGED SITUATION

REVISED STRATEGY

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